



Key Issues in Missouri's Economic Competitiveness

Moderated by:
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Chief Executive Officer
Missouri Partnership



Panelists



- Bob Marcusse, President and CEO
Kansas City Area Development Council
- Randy Allen, President and CEO
Jefferson City Chamber of Commerce
President, Missouri Economic Dev. Council
- Dick Fleming, President and CEO
St. Louis Regional Chamber & Growth Association

PRODUCT vs. Perception



Top Factors in the Corporate Investment Decision

1. Labor costs ()
2. Highway accessibility ()
3. Tax exemptions ()
4. Energy availability/costs ()
5. Corporate tax rate ()
6. Availability of skilled labor (n/c)
7. Occupancy/construction costs ()
8. State/local incentives ()
9. ITC services availability ()
10. Inbound/outbound shipping costs (n/a)

PRODUCT vs. Perception



Other Factors in the Investment Decision

- Available land and buildings ()
- Labor climate ()
- Expedited/"fast-track" permitting ()
- Training programs ()
- Availability of long-term financing ()
- Accessibility to major airport ()
- Railroad service ()

Source: Area Development 2009 Corporate Survey

Product vs. PERCEPTION



Major state business climate rankings

- CNBC
- *Forbes* magazine
- *Chief Executive* magazine

Product vs. PERCEPTION

CNBC Best States for Business

- “Cost of Business”
- “Workforce”
- “Quality of Life”
- “Economy”
- “Transportation”
- “Technology and Innovation”
- “Education”
- “Business Friendliness”
- “Access to Capital”
- “Cost of Living”

Product vs. PERCEPTION



CNBC Best States for Business

- “Cost of Business”
 - Tax burden, business taxes, utility costs, wages, rents
- “Workforce”
 - Quality/availability, training, educational levels, unions
- “Quality of Life”
 - Local attractions, crime rate, health care
- “Economy”
 - Diversity, major corporations, basic economic indicators
- “Transportation”
 - Value of goods shipped, air travel, road quality

Product vs. PERCEPTION



CNBC Best States for Business

- “Technology and Innovation”
 - # patents, broadband availability, innovation support
- “Education”
 - K-12 test scores, class size/spending, # higher ed.
- “Business Friendliness”
 - Legal and regulatory environment for businesses
- “Access to Capital”
 - Availability of venture capital
- “Cost of Living”
 - Housing, food, and energy costs

Product vs. PERCEPTION



CNBC Best States for Business (17th / 5th out of 9)

- “Cost of Business” (5th / 4th out of 9)
- “Workforce” (29th / 8th out of 9)
- “Quality of Life” (39th / 5th out of 9)
- “Economy” (29th / 6th out of 9)
- “Transportation” (7th / 3rd out of 9)
- “Technology & Innovation” (24th / 3rd out of 9)
- “Education” (15th / 2nd out of 9)
- “Business Friendliness” (25th / 4th out of 9)
- “Access to Capital” (20th / 2nd out of 9)
- “Cost of Living” (9th / 7th out of 9)

Product vs. PERCEPTION



Forbes *Best States for Business*

- “Business Costs”
- “Labor”
- “Regulatory Environment”
- “Economic Climate”
- “Growth Prospects”
- “Quality of Life”

Product vs. PERCEPTION



Forbes *Best States for Business*

- “Business Costs”
 - Wages, energy costs, and taxes
- “Labor”
 - Educ. attainment, net migration, proj. pop. growth
- “Regulatory Environment”
 - Reg./tort climate, incentives, bond ratings, transportation
- “Economic Climate”
 - Job/income/GSP growth, unemployment, corp. HQs
- “Growth Prospects”
 - Projected job/income/ GSP growth, business openings and closings, venture capital investments
- “Quality of Life”
 - Schools, health care, crime, cost of living, poverty rates

Product vs. PERCEPTION



Forbes *Best States for Business* (29th / 8th out of 9)

- “Business Costs” (15th / 6th out of 9)
- “Labor” (38th / 4th out of 9)
- “Regulatory Environment” (21st / 6th out of 9)
- “Economic Climate” (42nd / 8th out of 9)
- “Growth Prospects” (25th / 3rd out of 9)
- “Quality of Life” (29th / 5th out of 9)

Product vs. PERCEPTION



Chief Executive *Best and Worst States for Business*

- “Regulation and Taxation”
- “Workforce Quality”
- “Living Climate”

Product vs. PERCEPTION



Chief Executive *Best and Worst States for Business*

- “Regulation and Taxation”
 - Perceived attitude of gov’t. towards business, income/corporate tax rates, employer regulations, environmental regulations, incentives
- “Workforce Quality”
 - Work ethic, educational levels, wage rates, labor-mgmt. relations, specialized labor skills
- “Living Climate”
 - Real estate costs, public health systems, public education systems, crime rates, transportation access, arts & cultural institutions

Product vs. PERCEPTION



Chief Executive *Best and Worst States for Business*
(26th / 7th out of 9)

- “Regulation & Taxation” (B- / 8th out of 9)
- “Workforce Quality” (B / T-4th out of 9)
- “Living Climate” (B / T-5th out of 9)

Panelist Remarks



- What are 2 investment factors most important to focus on in raising Missouri's competitiveness?
- What is Missouri doing well in those 2 areas?
- What is Missouri doing poorly in those 2 areas?